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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 001483

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TAGS: [PREL](#) [TW](#)

SUBJECT: TAIWAN WORKING TO MAINTAIN POSITION IN THE SOUTH
PACIFIC IN THE FACE OF DIPLOMATIC PRESSURE FROM BEIJING

REF: A. TAIPEI 01365

[1](#)B. TAIPEI 01363

Classified By: AIT Deputy Director Robert S. Wang,
Reasons: 1.4 (b/d)

[1](#)1. (C) Summary: Reacting to Beijing's growing activism in the South Pacific, Taiwan is moving to enhance multilateral as well as bilateral cooperation with its six diplomatic partners in the region. Taipei hopes that its second Pacific Allies Summit, planned for October in the Marshall Islands, will deepen this regional approach and help prevent its partners from switching diplomatic recognition to Beijing. Taiwan is also stepping up bilateral trade, humanitarian, and security cooperation with partners like the Solomon Islands and Marshall Islands, and it is working to increase its unofficial foothold in some other island states where it does not have formal relations, such as Fiji. End Summary.

A Regional Approach to Cooperation

[1](#)2. (C) Feeling increasing pressure from Beijing's growing activism in the South Pacific, Taiwan is moving to enhance multilateral and bilateral cooperation with its six diplomatic partners in the region. Taiwan brought together its Pacific Island allies (Kiribati, Marshall Islands, Nauru, Palau, Solomon Islands, and Tuvalu) in September 2006 for the first Taiwan-Pacific Summit in Palau. Participants signed a declaration on strengthening regional cooperation on trade, economic development, good governance, and law enforcement and security issues. A Ministerial Conference on the Environment, focused on promoting the use of environment-friendly electricity generation technology, was held on the sidelines of the summit. MOFA Section Chief for Pacific Island Affairs Wang Chiang told AIT that Taiwan hopes through such summits to move away from a bilateral focus on humanitarian aid and toward a more regional focus on building multilateral relationships and strengthening health and trade initiatives.

13. (C) This year's summit, planned for October in the Marshall Islands, seeks to enhance Taiwan's relations with its partners and counter Beijing's recent inroads in the region which included the holding of competing summits with the PRC's South Pacific partners. According to MOFA, Taiwan also hopes its multilateral efforts will complement initiatives generated by Japanese and French summits in the region. Wang noted that Japanese officials had briefed Taiwan's representative in Tokyo last year about their own Pacific Summit proceedings.

14. (C) Wang characterized Taiwan's ties with its Pacific partners as stable, but expressed concern about possible "encroachments" by the PRC, especially in the Republic of the Marshall Islands (RMI) and Palau, two countries that Beijing is working hard to take away from Taipei. The current RMI President reportedly accepted money from Beijing when he was running for office and pledged to recognize Beijing, but so far Taipei has managed to keep the RMI on its side. Taiwan also faces intense competition in the Solomon Islands (SI). According to Wang, Beijing has been making cash payments to members of the opposition there in exchange for their support of its "one-China principle."

Enhancing Ties to Solomon and Marshall Islands

15. (C) Working hard to shore up its relations with the Solomon Islands and Marshall Islands in the face of PRC pressure, Taiwan has proven unable to "say no" to requests from its partners for security and law-enforcement related training. MOFA Director-General for East Asia and Pacific

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Affairs Donald Lee recently underscored to AIT that Taipei is committed to improving its oversight of assistance and other programs in the South Pacific, particularly the practice of directing "grassroots" funds to parliamentarians. Suggesting that the decision to include law enforcement training on the agenda of last year's Palau Summit came from Taipei's allies, Lee argued that when states like the SI ask for such training, Taipei cannot "turn a friend away."

16. (C) Solomon Islands Ambassador Beraki Jino told AIT that economic cooperation between Taiwan and the SI has increased in recent years. The fishing and tourism industries are the mainstays, but Jino noted Honiara is unhappy with current fishing licensing arrangements that allow Taiwan fishers to profit handsomely while only paying "nominal" access fees to the SI. Jino said that the SI and its Pacific neighbors also think that Taiwan should do more to strengthen multilateral regional integration. Jino noted that the Pacific Island Forum (PIF) secretariat will be sending a consultant to Taiwan in late June to discuss ways Taipei can promote trade development and regional integration, including tourism, trade, and banking.

17. (C) Jino pointed out that the SI government will be strengthening oversight of the "grassroots" funding Taiwan has traditionally distributed directly to rural constituencies by sending 50 supervisors to legislative districts to monitor the distribution of the funds and account for results. Jino expressed hope this new approach would minimize corruption by parliamentarians. Jino also noted that under pressure from Australia, Taipei has dropped firearms training for SI police detailed to protect PM Sogavare. The training program, initiated at Honiara's request, has already sent 19 of the 50 officers assigned to the PM for 2-3 weeks of training by Taiwan's National Security Bureau. Jino noted that the SI and Taiwan are discussing changes to the current law enforcement training agreements, which include plans to train SI Coast Guard. The current training period on Taiwan is "too short," Jino said, and the SI hopes to arrange for longer stints for its law enforcement officials at Taiwan's training academies.

18. (C) In the Marshall Islands, Taipei has been focusing its efforts on humanitarian assistance and trade promotion. ICDF Policy and Planning Director Yen-Shin Chou told AIT that Taiwan will establish a permanent medical field center staffed and funded by Taiwan in the Marshall Islands. The field center is intended to serve as a hub for providing medical assistance to all six Pacific allies. Chou argued that from a "purely assistance development" point of view, such a project creates only more dependence on Taiwan rather than promoting a permanent solution to the region's medical problems. Nevertheless, Chou suggested that Taiwan's concern to shore up relations with the RMI overrides these "theoretical" considerations.

Fiji - Taiwan Connection

19. (C) In the wake of last year's coup in Fiji, which recognizes Beijing but maintains close unofficial relations with Taipei, Taiwan officials have assured AIT that Taipei is not taking any steps that would undermine the international sanctions imposed on the regime (Reftels). ICDF and MOFA officials say humanitarian programs continue at pre-coup levels, but no new initiatives or projects will be launched. The sanctions, however, are putting the Fiji Trade and Tourism Office (FTTO) in Taipei under pressure to expand trade and business ties with Taiwan's private sector. FTTO Acting Representative James Weng told AIT last week he flew to Seoul recently to meet with the Fiji Foreign Minister to discuss possible ways to strengthen trade and investment links between Taiwan and Fiji. Weng said his office is now

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under pressure to produce results "as quickly as possible" and noted he would be organizing a trade delegation to drum up investment in the Fiji tourism and fishing industries later this year. Although Taiwan-Fiji trade is just under USD 10 million, Weng projects strong growth in the coming years. Despite the coup in Suva, Weng noted tourism to Fiji from Taiwan continues to grow at about a 50 percent a year.

110. (C) As an indication that Taipei continues to court Suva in hopes of a diplomatic breakthrough, Weng noted that Taiwan has invited Fiji to send a representative to attend this year's Taiwan-Pacific Allies Summit in the Marshall Islands. Last year Taipei made a similar invitation, Weng recalled, and Fiji sent its Minister of Tourism despite objections by Beijing. Weng expects Fiji to send a larger delegation this year as it seeks to break out of its "isolation."

Comment

111. (C) Taipei hopes its new regional approach to the Pacific will help it to maintain diplomatic recognitions in the face of Beijing's growing activism in the region. Venturing to provide law enforcement and coast guard training in the SI and perhaps other island states, however, opens up defense and security cooperation as another possible arena for competition between Taipei and Beijing. The fierce battle for recognition between Beijing and Taipei is a complicating factor for U.S. and other international efforts to promote stability and support good governance in this politically fragile part of the world.
YOUNG